



**Illinois
Central
Gulf**

An **IC Industries** Company

4-040A049

William H. Sanders
Corporate Counsel

**Illinois Central
Gulf Railroad**
Two Illinois Center
233 North Michigan Avenue
Chicago, IL 60601
(312) 565 1600

No. ~~_____~~
Date **FEB 9 1984**

10.00

February 8, 1984

Honorable Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
Washington, D. C. 20423

RECORDATION NO. 13303 Filed 1425 *B*

FEB 9 1984 - 12 40 PM

INTERSTATE COMMERCE COMMISSION

Dear Ms. Mergenovich:

Pursuant to the provisions of 49 U.S.C. Sec. 11303 and the applicable regulations of the Interstate Commerce Commission, there are herewith transmitted for filing and recording the original and four counterparts of a First Amendment to Equipment Lease. This document is a secondary document dated as of February 10, 1984. The primary document to which this is connected was recorded under Recordation No. 13303 on November 10, 1981.

A draft payable to the order of the Interstate Commerce Commission for the \$10.00 recording fee applicable to this filing is enclosed herewith.

The names and addresses of the parties to the document are as follows:

Lessor:

IC Equipment Leasing Company
111 East Wacker Drive, Suite 2700
Chicago, Illinois 60601

Lessee:

Waterloo Railroad Company
233 N. Michigan Avenue
Chicago, Illinois 60601

Waterloo Railroad Company is a wholly-owned subsidiary of Illinois Central Gulf Railroad Company.

A description of the equipment covered by this lease as amended is:

163 100-ton Bulkhead Flatcars marked and numbered as follows:

ICG 978750-978899, inclusive
ICG 978650-978662, inclusive

FEB 9 12 35 PM '84
I.C.C.
FEE OPERATION BR.

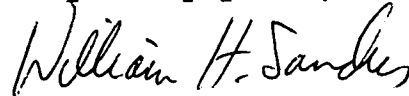
Handwritten signature: C. Quinlan

A short summary of the document to appear in the index follows:

First Amendment dated as of February 10, 1984 of an Equipment Lease dated as of November 10, 1981 with Recordation No. 13303 providing for certain changes in the Lease including the substitution of a new Secured Party.

It is respectfully requested that all counterparts not needed for the Commission's files be returned to the bearer of this letter with the Commission's recordation stamp shown thereon.

Very truly yours,

A handwritten signature in cursive script that reads "William H. Sanders". The signature is written in dark ink and is positioned above the printed name.

William H. Sanders

Interstate Commerce Commission
Washington, D.C. 20423

2/9/84

OFFICE OF THE SECRETARY

William H. Sanders
Illinois Central Gulf RR
233 North Michigan Ave.
Chicago, Illinois 60601

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **2/9/84** at **12:40pm** and assigned re-recording number(s).

13303-B & 14273

Sincerely yours,



JAMES H. BAYNE

Secretary

Enclosure(s)

SE-30
(7/79)

RECORDATION NO. 1303-B
Filed 1425

FEB 9 1984 12 40 PM

INTERSTATE COMMERCE COMMISSION

FIRST AMENDMENT

Dated as of February 10, 1984

TO

EQUIPMENT LEASE

Dated as of November 10, 1981

Between

IC EQUIPMENT LEASING COMPANY

LESSOR

And

WATERLOO RAILROAD COMPANY

LESSEE

(163 Bulkhead Flat Cars)

FIRST AMENDMENT

Dated as of February 10, 1984

TO

EQUIPMENT LEASE

Dated as of November 10, 1981

Between

IC EQUIPMENT LEASING COMPANY

LESSOR

And

WATERLOO RAILROAD COMPANY

LESSEE

(163 Bulkhead Flat Cars)

FIRST AMENDMENT TO EQUIPMENT LEASE

THIS FIRST AMENDMENT TO EQUIPMENT LEASE dated as of February 10, 1984 is between IC EQUIPMENT LEASING COMPANY, an Illinois corporation (the "Lessor"), and WATERLOO RAILROAD COMPANY, an Iowa corporation (the "Lessee").

R E C I T A L S:

A. The Lessor and the Lessee have heretofore executed and delivered an Equipment Lease dated November 10, 1981 (the "Original Equipment Lease") pursuant to which the Lessor leased to the Lessee 163 Bulkhead Flatcars more fully described in Schedule A thereto (the "Equipment").

B. The Original Equipment Lease was recorded in the Office of the Secretary of the Interstate Commerce Commission on November 10, 1981 at 12:15 P.M. and was given Recordation No. 13303.

C. The Original Equipment Lease was entered into as part of a leveraged lease financing of the Equipment more fully provided for in a Participation Agreement dated as of November 10, 1981 (the "Original Participation Agreement") among the Lessor, the Lessee, and The Fidelity Bank (the Original Note Purchaser") pursuant to which the Lessor acquired the Equipment by application of sums advanced by it and the proceeds of sale of a Secured Note (the "Original Note") of the Lessor sold to the Original Note Purchaser.

D. At the time the parties thereto entered into the Original Participation Agreement it was contemplated that the Lessor would, at the request of the Lessee, refinance the Original Note by the sale of Notes bearing a fixed rate of interest.

E. In lieu of such a fixed rate refinancing, the Lessee and the Lessor have agreed to cause the Lessor to sell to The First National Bank of Chicago (the "Note Purchaser") a Secured Note bearing a variable rate of interest (the "Note") and to apply the proceeds of such sale, together with the installments of Fixed Rental and Additional Rental due pursuant to the Original Equipment Lease on February 10, 1984, to the payment in full on February 10, 1984 of principal and accrued interest on the Original Note.

F. In order to provide for the sale of the Note to

the Note Purchaser, the Lessor, the Lessee, and the Note Purchaser propose to enter into a Participation Agreement dated as of February 10, 1984 (the "Participation Agreement").

G. In order to induce the Note Purchaser to enter into the Participation Agreement and to purchase the Note thereunder, the Lessor and the Lessee desire to amend the Original Equipment Lease as hereinafter set forth.

In consideration of the premises and other good and valuable consideration, the receipt whereof is hereby acknowledged, the Lessor and the Lessee agree that the Original Equipment Lease shall be deemed to be and is hereby amended upon the execution and delivery of this First Amendment as follows:

1. Recital B of the Original Equipment Lease shall be amended so that the defined terms "Participation Agreement" and "Note Purchaser" shall read "Original Participation Agreement" and "Original Note Purchaser", respectively, in each place where said defined terms appear in said Recital B, respectively, and the parenthetical definitions of the defined terms "Notes" and "Security Agreement" shall be deleted and the term "Notes" where it appears in the last sentence of said Recital B shall read "said Secured Notes".

2. The Original Equipment Lease shall be amended by the addition thereto of a new Recital C reading as follows:

"C. The Lessee and the Lessor have entered into a Participation Agreement dated as of February 10, 1984 (the 'Participation Agreement') with The First National Bank of Chicago (the 'Note Purchaser') providing for a commitment of the Note Purchaser to purchase at par the Secured Note (the 'Note') of the Lessor in an amount equal to \$5,432,352.45. Pursuant to the Participation Agreement, the Lessor will apply the proceeds of the sale of the Note, together with the installment of Fixed Rental and Additional Rental payable hereunder on February 10, 1984 to the payment in full on February 10, 1984 of the principal and accrued interest outstanding on the Secured Note of the Lessor issued pursuant to the Original Participation Agreement. The Participation Agreement provides that the Note will be secured by the Collateral granted to the Note Purchaser

pursuant to the Security Agreement dated as of February 10, 1984 from the Lessor to the Note Purchaser (the 'Security Agreement')."

3. Section 2.1(b)(1) of the Original Equipment Lease shall be amended by deleting the parenthetical phrase "(computed on the actual number of days elapsed divided by 360)" immediately preceding the semicolon therein and substituting in lieu thereof the parenthetical phrase "(determined on the basis of a 360-day year comprised of twelve 30-day months)".

4. Section 2.1(b)(2) of the Original Equipment Lease shall be amended by deleting it in its entirety and substituting in lieu thereof the following:

"(2) All amounts payable under Section 2.1 (b)(vii), (viii), (ix) and (xi) of the Participation Agreement to the Note Purchaser plus any amount necessary to hold the Lessor harmless on an after-tax basis from all taxes required to be paid by the Lessor with respect to such payment under the laws of any Federal, state or local government or taxing authority, or under the laws of any taxing authority or governmental subdivision of a foreign country, net of any tax benefit realized by the Lessor by reason of such payment; and

"(3) All amounts, if any, payable under Section 2.4 of the Participation Agreement."

and by deleting the word "and" following the semicolon in clause (1) thereof and by replacing the period following clause (2) thereof with a semicolon.

5. Section 2.2 of the Original Equipment Lease shall be amended by deleting it in its entirety and substituting in lieu thereof the following:

"2.2. Rent Payment Dates. The sixty (60) installments of Fixed Rental for each Item of Equipment shall be due and payable on the tenth day of February, 1982 and on the tenth day of each May, August and November thereafter to and including November 10, 1996, unless any such date is not a Business Day (as defined in the Participation Agreement) on which the Lessor is making a payment of principal and interest on the Note, in which case the installment of Fixed Rental shall be due and payable on the next such Business Day. Additional Rental due pursuant to Section 2.1(b)(2) and

(3), if any, shall be paid promptly after the Lessee is notified of the need for payment."

6. The first sentence of Section 2.3 of the Original Equipment Lease shall be amended by deleting the character "(A)" where it appears therein, inserting a period after the date "April 30, 1982" where it appears therein and deleting the rest of said sentence. In addition, said Section 2.3 shall be further amended by deleting the word "Notes" in each place where it appears therein and substituting in lieu thereof the word "Note" in each such place.

7. Section 9 of the Original Equipment Lease shall be amended by inserting the words "or the Note Purchaser's opinion" immediately after the words "in the Lessor's opinion" where they appear therein.

8. Section 10.1 of the Original Equipment Lease shall be amended by (i) deleting the first sentence of said Section 10.1 in its entirety and inserting in lieu thereof the following language:

"Promptly upon the execution of the Security Agreement, any amendment to this Lease and any amendment to the Security Agreement, the Lessee will cause the same to be duly filed, registered or recorded with the Interstate Commerce Commission in accordance with 49 U.S.C. Section 11303 and in such other places within or without the United States as the Lessor or the Note Purchaser may reasonably request and will furnish the Lessor and the Note Purchaser proof thereof."

and (ii) deleting the words "Except as provided in Section 2.6 of the Participation Agreement, the" from the last sentence of said Section 10.1 and substituting in lieu thereof the word "The".

9. Section 19 of the Original Equipment Lease shall be amended so as to read in the entirety as follows:

"Anything to the contrary herein contained notwithstanding, any non-payment of Rent or other sum due hereunder shall result in the additional obligation on the part of the Lessee to pay an amount equal to interest at a rate 1% in excess of the Corporate Base Rate (or the highest lawful rate, whichever is less) on such overdue amounts for the period of time during which they were overdue and not repaid. For purposes hereof, Corporate Base Rate shall mean a rate of interest per annum equal to the corporate base rate of interest announced from time to time by The First National Bank of Chicago changing when and as said corporate base rate changes."

10. Sections 20(a)(iii) and (v) of the Original Equipment Lease shall be amended by deleting each reference to "the Notes" contained therein and substituting in lieu thereof in each such place the phrase "the Note or the Secured Note issued pursuant to the Original Participation Agreement."

11. Section 21.2 of the Original Equipment Lease shall be amended so that the second sentence thereof reads in the entirety as follows:

"Any payment so made by any such party and all cost and expense (including, without limitation, reasonable attorneys' fees and expenses) incurred in connection therewith shall be payable by the Lessee to the party making the same upon demand with interest thereon at the lesser of (a) a rate 1% in excess of the Corporate Base Rate (as defined in Section 19 hereof), or (b) the maximum rate allowed by law."

Except to the extent hereby amended and modified, the Original Equipment Lease is in all respects ratified, confirmed and approved.

This First Amendment shall be construed in accordance with the laws of the State of Illinois; provided, however, that the parties shall be entitled to all rights conferred by any applicable Federal statute, rule or regulation.

This First Amendment may be executed in several counterparts, each of which so executed shall be deemed to be an original and in each case such counterparts shall constitute but one and the same instrument.

Pursuant to the Lessor's covenants with the Note Purchaser under Section 2.3 of the Security Agreement, the Lessor hereby gives notice to the Lessee under Section 16 of the Original Equipment Lease as amended by this First Amendment that all of the Lessor's right, title and interest in and to said Lease as amended hereby and payments made thereunder (except Excepted Rights in Collateral) has been assigned to The First National Bank of Chicago pursuant to the Security Agreement and the Lessor hereby directs the Lessee to make all payments of rent and other sums due and to become due under the Original Equipment Lease as amended by this First Amendment (other than Excepted Rights in Collateral) directly to The First National Bank of Chicago at such address as said Bank shall specify to the Lessee. The Lessee hereby acknowledges and agrees to the foregoing

notice and directions. In addition, the Lessee hereby agrees, pursuant to Section 11.1 of the Original Equipment Lease as amended by this First Amendment, to cause all property insurance on any of the Equipment to provide that any and all proceeds thereunder shall be payable to The First National Bank of Chicago as its interest may appear, and further agrees to provide certificates with respect thereto to The First National Bank of Chicago.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed by their respective officers thereunder duly authorized as of the day and year first above written.

IC EQUIPMENT LEASING COMPANY

(CORPORATE SEAL)

ATTEST:

By

Its

Christine J. House
Treasurer

E. McNeill
Secretary

WATERLOO RAILROAD COMPANY

(CORPORATE SEAL)

ATTEST:

By

R. W. Hart
Its Vice President

M. A. Muench
Secretary

ACKNOWLEDGED:

THE FIRST NATIONAL BANK OF CHICAGO

By

Its

Ass't

V. P.

10

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 8th day of February, 1984, before me personally appeared Christine J. Hansen, to me personally known who being by me duly sworn, says that she is a Treasurer of IC EQUIPMENT LEASING COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Virginia D. Skanlon
Notary Public

(NOTARIAL SEAL)

My commission expires:

May 4, 1984

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 8th day of February, 1984, before me personally appeared R. M. Davis, to me personally known, who being by me duly sworn, says that he is a Vice President of WATERLOO RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Virginia D. Skanlon
Notary Public

(NOTARIAL SEAL)

My Commission expires:

May 4, 1984